

# **DHB ADMINISTRATIVE LETTER NO: 08-20, PROCEDURES FOR MAGI DEDUCTIONS**

**DATE:** July 9, 2020

**SUBJECT:** Procedures for MAGI Deductions

**DISTRIBUTION:** County Directors of Social Services  
Medicaid Supervisors  
Medicaid Eligibility Staff

## **I. BACKGROUND**

On June 19, 2020, a NC FAST Communication, Changes to Allowable Deductions for MAGI - 6/19/2020 – Red, was sent to NC FAST Users. The communication notified local agencies that MAGI income deductions for Moving Expenses and Tuition and Fees, were no longer allowable. System functionality for entering new evidence was removed and existing evidence for these deductions would end date on June 30, 2020.

Due to the CMS guidance, during the current Public Health Emergency (PHE) Medicaid cannot implement any eligibility changes that are more restrictive. As a result, Moving Expenses, and Tuition and Fees **remain** an allowable deduction for MAGI until further notice.

A temporary procedure has been implemented to assist counties in entering evidence for Moving Expenses, and Tuition and Fees until further notice.

## **II. PROCEDURES**

Use the following steps to add Moving Expenses and Tuition and Fees to MAGI cases, as appropriate.

### **A. Applications**

1. For the Moving Expenses, use the deduction type: **Transportation expense**
2. For the Tuition and Fees, use the deduction type: **Education assistance**
3. Document in NCFAS, “COVID-19”.

**B. For Ongoing cases refer to the instructions provided in DHB Administrative Letter 05-20, Section IV.**

**For further instructions refer to the following job aids:**

1. [MAGI Medical Forced Eligibility and Ex Parte/Admin Recertification](#)
2. [Forced Eligibility for Income Support Medical Assistance, Special Assistance and Cash Assistance](#)
3. [Continued Eligibility for Medical Assistance](#)
4. [MAGI Medicaid Recertification](#)
5. [Traditional Medicaid Recertifications](#)

**III. IMPLEMENTATION**

These procedures are effective immediately for applications and recertifications. This also includes applications or recertifications that are currently in process.

Additional guidance will be provided to counties on how to manage these cases after the Public Health Emergency period ends, including appropriate notice requirements.

If you have any questions regarding the guidance in this letter, please contact your [Medicaid Operational Support Team Representative](#).

DocuSigned by:

*Dave Richard*

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Dave Richard

Deputy Secretary, NC Medicaid